

## MISSION STATEMENT

*The mission of Community Development is to provide Community Development Block Grant (CDBG) and HOME Program funding to municipalities and other subrecipients not eligible for direct United States Department of Housing and Urban Development (HUD) funding so they can develop viable communities to primarily benefit low and moderate income people.*

## COMMUNITY DEVELOPMENT ADVISORY COMMITTEE February 11, 2009

### MINUTES

#### MEMBER OR ALTERNATE

#### REPRESENTING

#### \*\*\*\*\*PRESENT\*\*\*\*\*

Robert Doster  
Adam Super  
Frank Cavalier  
Roy Perez  
Jose Diego Espinoza  
Scott Stewart  
Shirley Oglesby  
James Warner  
Richard Painchaud  
Edward Kientz

Buckeye  
El Mirage  
Goodyear  
Guadalupe  
Tolleson  
Wickenburg  
Youngtown  
District 2  
District 3  
District 4

#### \*\*\*\*\*ABSENT\*\*\*\*\*

Armida Gonzales  
Horst Kraus  
Doris Heisler  
Carlos Ontiveros

Gila Bend  
District 3  
District 4  
District 5

#### CD STAFF PRESENT

Renee Ayres-Benavidez  
Dan Marjanek  
Sharon Sanders  
Jeanne Vega

**I. CALL TO ORDER**

Chair Painchaud called the regular meeting to order at approximately 6:30 P.M.

**II. ROLL CALL AND ESTABLISHMENT OF QUORUM**

Sharon Sanders, Recording Secretary, took roll call. At the time of roll call, 8 members were present. A quorum was established. Total attendance for the meeting was 10 of the 14 CDAC representatives.

**III. MINUTES OF NOVEMBER 12, 2008 MEETING**

Chair Painchaud asked for approval of the minutes of November 12, 2008 meeting. Rep. Super made a motion to accept the minutes of November 12, 2008 as presented. Rep. Cavalier seconded the motion. The motion passed unanimously by a voice vote with no opposition voiced.

**IV. FY2009-2010 APPLICATION CYCLE**

Application packets were distributed to all CDAC representatives present. Chair Painchaud yielded the floor to Renee Ayres-Benavidez. She noted that applications received for the FY2009-2010 CDBG and HOME Program grants exceed the total amount of grant funds estimated to be available. Congress has not yet determined the 2009 federal budget, therefore, the committee will be moving forward with the application cycle using estimates based on allocations received for the FY2008-2009 CDBG and HOME Program grants. The HOME grant allocation for FY2009-2010 is expected to be reduced slightly because the City of Mesa is withdrawing from the Maricopa HOME Consortium and will be receiving their allocation directly from HUD. Since CDAC will be making their recommendations based on estimations, Ms. Ayres-Benavidez asked CDAC to provide guidance on how discrepancies between CDAC recommendations and actual grant allocations will be handled. Ms. Sanders explained the content and structure of the application packet.

Rep. Warner requested clarification on the total amount of CDBG funds to be available compared to the total amount requested in applications. Ms. Ayres-Benavidez advised CDBG applications totaled approximately \$3.4 million while the anticipated CDBG allocation is about \$1.9 million. This means the CDAC must reduce the application requests by approximately \$1.4 million.

Rep. Cavalier asked for a definition of a special survey. Ms. Sanders explained that HUD requires 70% of CDBG grant funds benefit low and moderate income persons. The 2000 Census is used to determine if an area qualifies as a low/moderate income area. There are areas where the 2000 census is not accurate in determining the income levels. Applicants may conduct, at their own expense, a HUD approved survey of a specific area to determine the actual income levels for that area. The Town of Wickenburg conducted such a survey in 2008 and determined that the area surveyed was 58% low/moderate income.

Due to the size of the application packet, Rep. Warner requested that, before distribution to the CDAC, pages of the packet be punched so they can be placed in a three ring binder.

Rep. Super distributed a letter of response to a note included by County staff in staff comments on the El Mirage Waterlines and Fire Protection application.

**V. NEIGHBORHOOD STABILIZATION PROGRAM UPDATE**

Chair Painchaud yielded the floor to Ms. Ayres-Benavidez. She advised that verbal confirmation has been received from HUD that Maricopa County's \$9.974 million NSP grant award has been approved as submitted. The County awaits receipt of the official award letter. Funding under this one time grant will be for acquisition/rehabilitation of foreclosed and abandoned residential properties for homebuyer activities in areas of greatest need (determined by HUD data to be areas within the Town of Buckeye and Cities of El Mirage and Goodyear); funding mechanisms (downpayment assistance) and acquisition/rehabilitation for rental activities which may be undertaken in other areas of the Urban County.

Negotiations are underway to develop a subrecipient agreement with the Housing Authority of Maricopa County to administer the acquisition/rehabilitation activities for homeownership in the targeted areas. Additionally, an application process is under development to secure non-profit partners to administer the portion of this grant which will acquire and rehabilitate foreclosed and abandoned property for permanent supportive housing for special needs populations. CDAC will be asked to evaluate these applications. It is anticipated that CDAC will need to meet in May or June for this purpose.

Additionally, she noted that the NSP program requires that the grant funds be committed within a short period of time. Therefore, Maricopa County will be looking for homebuyers to participate in the program and will marketing the program in conjunction with the Arizona Department of Housing and the City of Phoenix. She advised the CDAC that they may also market the program to their communities, especially in the targeted areas. She explained that the program will be closely scrutinized for compliance with all regulations and procedures. She asked everyone to be aware of situations which would be perceived as a conflict of interest and explained that federal regulations outline the procedure to address these conflicts. She noted that a conflict of interest does not bar someone from participation in the program but requires public disclosure and a waiver from HUD.

**VI. DG0806 – GOMPERS CIRCLE PROJECT UPDATE**

Chair Painchaud yielded the floor to Denise Lacey, Senior Planner, Maricopa County Department of Transportation. Ms. Lacey reported that during the preliminary engineering for the Gomper's Circle project, MCDOT surveyors and engineers discovered drainage issues which were not anticipated at the time of application. There will also be impacts to private property during the redesign of some driveways to provide proper drainage. In order to access private property

for construction activities, MCDOT will need to obtain temporary construction easement agreements with the property owners. Additionally, underground utilities were discovered to be located not as indicated in County records. Addressing these issues will require additional design which is anticipated to add an additional 12 months to the project schedule. Ms. Lacey requested approval of a 12 month extension of the project schedule which would move the completion date to May 2010.

Ms. Lacy also advised that the estimated cost of the project has risen from the original \$185,000 to approximately \$305,000. MCDOT is not seeking additional funding. It anticipates using a portion of the Small Cities Transportation Assistance Program (SCTAP) funding to make up the shortfall in this project.

## **VII. SCTAP UPDATE**

Dan Marjanek reminded everyone of the funding historically received as part of the SCTAP program. He noted that this year the Transportation Advisory Board has agreed to provide \$250,000 as part of the SCTAP program. Since SCTAP funding is actually MCDOT HURF funds which are provided to fund CDBG eligible street projects, it is appropriate for MCDOT to use a portion of this year's SCTAP allocation to fund the shortfall of the Gomper's Circle project. He also noted that the balance of the allocation will be made available for Urban County street improvements projects. A separate application process is likely to be required since no applications were received this year for street improvement projects.

### **DG0806 – GOMPERS CIRCLE PROJECT UPDATE (continued)**

Rep. Super asked for assurance that the revised funding and schedule would be adequate. Although Ms. Lacey cannot guarantee that nothing unforeseen will happen, she is confident that the current engineer's estimate and design plan is accurate and can be completed in the time and for the funds anticipated.

Vice Chair Kientz moved to offer a one year extension to the project schedule for DG0806 Gomper's Circle Street Improvements/MCDOT as requested. Rep. Super seconded the motion. The motion passed unanimously.

## **VIII. STAFF REPORTS**

### **• FINANCIAL/PROGRESS REPORT**

Dan Marjanek – El Mirage held a bid opening for their streets improvement project. A construction contract was awarded for approximately \$305,000. El Mirage will be providing the additional funding needed to complete the project. Construction is expected to start shortly.

Youngtown Alley Paving has also held a bid opening and award of a construction contract. Their project is expected to start in the next couple of weeks.

Sharon Sanders – Gila Bend advertised for bids for their waterline project but need to republish their advertisement for bid. They will be rebidding their project in the next few weeks.

Rep Warner asked about the status of the Guadalupe Sidewalks project which indicates that construction is complete but an unpaid balance of approximately \$50,000 exists. Ms. Sanders informed Rep. Warner that punchlist items are currently being completed. When final bills have been paid and reimbursements made to the Town, the final cost will be determined and any unused funds will be returned to Unprogrammed Funds.

Ms. Sanders advised the committee that the Town of Buckeye has completed their waterline project under budget and has returned approximately \$131,000 to Unprogrammed Funds.

- **LEGISLATIVE UPDATE**

Ms. Ayres-Benavidez advised that Congress is not yet working on the FY2009 budget; however, it is working on a stimulus bill. The bill currently under consideration includes both CDBG, HOME Program and NSP funds. It is not known exactly how these programs will be structured. It is known that the bill will be designed to provide a stimulus to the economy, have stimulus deadlines and will provide little funding for administration. CDBG funds under the stimulus bill will be for infrastructure projects which can be started immediately. Community Development has reviewed last year's applications which were not fully funded as well as current applications to try to identify projects that may be appropriate for this funding.

**IX. FUTURE AGENDA ITEMS**

Rep. Super requested an agenda item to address the problem of attendance at CDAC meetings. Rep. Warner asked staff to investigate the possibility of voting by proxy.

**X. CALL TO THE PUBLIC**

There was no response to the call to the public.

**XI. ADJOURNMENT**

Being no further business before the committee, Chair Painchaud adjourned the meeting at approximately 7:44 PM.

Respectfully submitted,

Sharon M. Sanders,  
Recording Secretary